

STATE OF HAWAII  
STATE PROCUREMENT OFFICE  
HONOLULU, HAWAII

April 10, 1997  
INVITATION FOR BIDS

NO. IFB-97-174-SW

SEALED BIDS  
FOR  
FURNISHING LABORATORY DIAGNOSTIC TESTING SERVICES  
FOR THE  
DEPARTMENT OF HEALTH, COMMUNICABLE DISEASE DIVISION  
STD/AIDS PREVENTION BRANCH

will be received up to and opened at 2:00 p.m.

on

April 25, 1997

in the State Procurement Office, Kalanimoku Building, 1151  
Punchbowl Street, Room 416, Honolulu, Hawaii 96813.

Questions relating to this bid solicitation may be  
directed to Sharon Koga, telephone (808) 586-0562, Facsimile  
(808) 586-0570.

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ROBERT J. GOVERNS  
Procurement Officer

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Name of Company

# WAGE CERTIFICATE

(For Service Contracts)

Subject: IFB/RFP No.: \_\_\_\_\_

Title of IFB/RFP: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(To be completed by offeror)

Pursuant to Section 103-55, Hawaii Revised Statutes (HRS), I hereby certify that if awarded the contract in excess of \$5,000, the services to be performed will be performed under the following conditions:

1. The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work; and
2. All applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

I understand that failure to comply with the above conditions during the period of the contract shall result in cancellation of the contract, unless such noncompliance is corrected within a reasonable period as determined by the procurement officer. Payment in the final settlement of the contract or the release of bonds, if applicable, or both shall not be made unless the procurement officer has determined that the noncompliance has been corrected; and

I further understand that all payments required by Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wage required by section 103-55, HRS.

Offeror \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

LABORATORY DIAGNOSTIC TESTING  
FOR THE  
DEPARTMENT OF HEALTH  
COMMUNICABLE DISEASE DIVISION  
STD/AIDS PREVENTION BRANCH  
IFB-97-174-SW

Procurement Officer  
State Procurement Office  
State of Hawaii  
Honolulu, Hawaii 96813

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Terms and Conditions dated September 1, 1995 by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof.

The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Date: _____	Respectfully submitted,
Telephone No.: _____	
Fax No.: _____	_____ Exact Legal Name of Offeror
Payment address, if other than street address at right:	_____ Authorized Signature (Original)
_____	_____ Title
_____	
Hawaii General Excise Tax Lic. I.D. No.: _____	_____ Street Address
Social Sec. or Federal I.D. No.: _____	_____ City, State, Zip Code

If offeror shown above is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the contract, if awarded, will be executed:

Offeror is: \_\_\_\_ Individual \_\_\_\_ Partnership \_\_\_\_ Corporation \_\_\_\_ Joint Venture

State of incorporation: Hawaii \_\_\_\_\_ \*Other \_\_\_\_\_

\*If "other", is corporate seal available in Hawaii? \_\_\_\_ Yes \_\_\_\_ No

The following bid is hereby submitted:

<u>Description</u>	<u>Estimated Quantity</u>	<u>Price Per Test</u>	<u>Total Estimated Bid Price</u>
1. CBC with differential, platelet count	1,000	\$_____	\$_____
2. Sedimentation Rate	1,000	_____	_____
3. Creatinine	1,000	_____	_____
4. Alkaline Phosphatase	1,000	_____	_____
5. LDH	1,000	_____	_____
6. SGOT	1,000	_____	_____
7. SGPT	1,000	_____	_____
8. Total Bilirubin	1,000	_____	_____
9. Total Protein	1,000	_____	_____
10. Albumin	1,000	_____	_____
11. Cholesterol	1,000	_____	_____
12. Triglycerides	1,000	_____	_____
13. Beta-2 Microglobulin	1,000	_____	_____
14. T-cell subset panel (CD3+//CD8+, CD3+//CD8+)	1,000	_____	_____
15. Hepatitis B Surface Antigen	1,000	_____	_____
16. Hepatitis B Surface Antibody	1,000	_____	_____

Offeror:\_\_\_\_\_

<u>Description</u>	<u>Estimated Quantity</u>	<u>Price Per Test</u>	<u>Total Estimated Bid Price</u>
17. Hepatitis B Core Antibody, Total	1,000	\$_____	_____
18. Toxoplasma Antibody, IgG	1,000	_____	_____
19. Ova & Parasites - Stool	1,000	_____	_____
20. Urinalysis, Complete	1,000	_____	_____
21. RPR	1,000	_____	_____
22. HIV Antigen (p24)	1,000	_____	_____
23. HIV Antibody, Western Blot	1,000	_____	_____
24. HIV Quantitation (Roche PCR)	1,000		
TOTAL ESTIMATED SUM BID:			\$_____

Bidder shall provide the following information:

**INSURANCE COVERAGE**

Comprehensive General Liability:\_\_\_\_\_

(Underwriter)

Automobile Liability:\_\_\_\_\_

Name of Agent:\_\_\_\_\_

Telephone:\_\_\_\_\_

Offeror:\_\_\_\_\_

**LICENSES**

Medicare Identification Number: \_\_\_\_\_

(CAP) or (CDC) License Number: \_\_\_\_\_

Name of Laboratory Director: \_\_\_\_\_

Laboratory Director's State of Hawaii License Number: \_\_\_\_\_

**HOURS OF OPERATION**

Bidder's normal business hours: \_\_\_\_\_

**SUBCONTRACTOR(S)**

Name and address of any subcontractor(s) to be used:

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Portion of the work specified herein that will be performed by the subcontractor(s):

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**SUBCONTRACTOR(S) LICENSES**

Medicare Identification Number: \_\_\_\_\_

(CAP) or (CDC) License Number: \_\_\_\_\_

Name of Laboratory Director: \_\_\_\_\_

Laboratory Director's State of Hawaii License Number: \_\_\_\_\_

Offeror: \_\_\_\_\_

**REFERENCES**

Bidder shall list a minimum of two (2) established hospitals and/or clinical institutions with the name and phone number of the point of contact:

1. Hospital or Clinical Institution:\_\_\_\_\_

Point of Contact:\_\_\_\_\_

Phone No.\_\_\_\_\_

2. Hospital or Clinical Institution:\_\_\_\_\_

Point of Contact:\_\_\_\_\_

Phone No.\_\_\_\_\_

Offeror:\_\_\_\_\_

## SPECIFICATIONS

### SCOPE

Contractor shall provide Laboratory Diagnostic Testing Services for patients on the islands of Oahu, Maui, Hawaii, Kauai, Molokai, and Lanai for the Department of Health, Communicable Disease Division, STD/AIDS Prevention Branch, Hawaii SeroPositivity and Medical Management (HSPAMM) project and the HIV Drug Assistance Program (HDAP), for period of twelve (12) months beginning July 1, 1997 and ending June 30, 1998. Services shall include pickup of specimens from various physicians' offices, delivery of completed laboratory test results (hard copies), drawing of specimens by the Contractor at the Contractor's designated laboratory/phlebotomy sites, and delivery of an aliquot of serum from the specimens collected to the HSPAMM/HDAP project office at Leahi Hospital, Young Building Roof, Honolulu, HI 96816.

### GENERAL REQUIREMENTS

Bidders shall bid on each test listed herein. Tests that bidders are not able to perform may be subcontracted out, provided that the technical quality and accuracy of the tests are maintained. The estimated quantity for the initial contract period is approximately 1,000 for each of the tests listed. Patients will have specimens drawn at the offices of 170 participating physicians or at the Contractor's designated phlebotomy sites on the islands of Oahu, Maui, Hawaii, Kauai, Molokai, and Lanai.

Bidder must be able to provide phlebotomy services in the Central, Leeward, Windward and downtown Honolulu regions of Oahu; in Wailuku on Maui; in Hilo and Kailua-Kona on Hawaii. Bidder must be able to provide such services on an ad hoc basis during bidder's normal business hours as listed on the appropriate Offer Form page.

All bidders shall submit with the bid a complete listing, including the addresses, of their laboratory locations and phlebotomy sites located throughout the State.

### TEST PANEL

The following tests listed with their corresponding methods shall be performed as required per the Specifications herein:

#### TEST

CBC with differential, platelet count  
Sedimentation Rate  
Creatinine  
Alkaline Phosphatase  
LDH  
SGOT  
SGPT  
Total Bilirubin  
Total Protein

#### METHOD

Flow cytometry  
Westegren  
Kinetic  
Enzymatic  
Enzymatic  
Enzymatic  
Enzymatic  
Colorimetric  
Colorimetric



TEST

Albumin  
Cholesterol  
Triglycerides  
Beta-2 Microglobulin  
  
T-cell subset panel  
    (CD3+//CD8+, CD3+//CD8+)  
Hepatitis B Surface Antigen  
    (EIA)  
Hepatitis B Surface Antibody  
    (EIA)  
Hepatitis B Core Antibody, Total  
    (EIA)  
Toxoplasma Antibody, IgG  
    (EIA)  
Ova & Parasites - Stool  
  
Urinalysis, Complete  
  
RPR  
HIV Antigen (p24)  
  
HIV, Western Blot  
  
HIV Quantitation

METHOD

Colorimetric  
Enzymatic  
Enzymatic  
Microparticle Enzyme  
    Immunoassay (MEIA)  
  
Flow cytometry  
Enzyme Immunoassay  
  
Enzyme Immunoassay  
  
Enzyme Immunoassay  
  
Enzyme Immunoassay  
  
Concentration and  
    Microscopic  
Dipstick and  
    Microscopic  
Latex Agglutination  
Enzyme Linked  
    Immunosorbent  
    Assay (ELISA)  
Electrophoresis,  
    Western Blot  
Roche Polymerase  
    Chain Reaction  
    (PCR)

White blood cell counts (part of CBC listed above), differentials and sedimentation rates must be tested within ten (10) hours of blood draw.

The Contractor must demonstrate that the results of the T-cell subset panels they will provide are statistically comparable (correlation coefficient > .95) to the results of the T-cell subset panels provided to the program by the previous Contractor. This must be accomplished by conducting tests on twenty (20) paired blood samples in each of the following CD4+ T-cell count ranges: CD4+ less than 200/cmm; CD4+ between 200-499/cmm; and CD4+ equal to or greater than 500/cmm. For all other tests, it is permissible to substitute methods of equal demonstrated technical accuracy, reliability, sensitivity, and specificity.

LABORATORY REQUIREMENTS

All services, including any services performed by a subcontractor, shall be performed in a laboratory certified and licensed by Medicare. The laboratory shall be currently certified and licensed by the College of American Pathologists.

The Contractor's laboratory (and the subcontractor's laboratory, if any) shall at all times be under the direct personal supervision of a laboratory director currently licensed by the State of Hawaii. Services shall be performed by licensed medical technologists and/or by laboratory technicians performing under the direct supervision of licensed personnel.

## **PICKUP OF SPECIMENS FOR TESTING**

The Contractor shall pick up specimens from the offices of physicians who are participating in the HSPAMM project and from designated phlebotomy sites of the islands of Oahu, Hawaii, Maui, Kauai, Molokai, and Lanai. Specimens will be picked up for testing daily on Oahu, except on weekends and State holidays. Specimens will be picked up on Tuesday afternoons on Hawaii, Maui, Kauai, and Molokai.

The Contractor shall provide containers for the collection and transport of specimens to physicians' offices as necessary, and such containers shall be pre-labeled with the Contractor's name and delivery address.

If a subcontractor is used for the performance of selected tests, the Contractor is responsible for the shipment of specimens to the subcontractor. The Contractor shall be responsible for all costs for furnishing the services required herein.

Ms. Suzanne Richmond-Crum, HSPAMM Director, 3627 Kilauea Avenue, #306, Honolulu, HI 96816, phone (808) 732-0026 will inform the Contractor prior to the contract start date and also during the contract period of the names and addresses of physicians participating in the HSPAMM project.

## **DELIVERY OF TEST RESULTS**

The Contractor shall deliver test results in hard copy form to the physicians' offices within fourteen (14) days of specimen pickup. Should the Contractor require additional time, the Officer-in-Charge must be contacted. Additional time to complete the test(s) may be given at the discretion of the Officer-in-Charge.

Critical test results are to be reported by phone to the respective physician's office within twenty-four (24) hours of specimen pickup by the Contractor, unless the physician has otherwise specified.

Failure to comply with the above shall result in the assessment of liquidated damages.

## **SUPPLIES**

The Contractor shall provide, at no additional cost, supplies for any laboratory specimens which require special handling or special shipping precautions.

## **RE-EXECUTION OF SERVICES**

In the opinion of the Officer-in-Charge or her duly authorized representative, if any original test result does not correlate with the patient's clinical condition and therefore is unacceptable, the contractor shall perform, at no additional cost to the State, repeat test(s) conforming to the requirements herein which are to be completed within the given turn around time.

## **SPECIAL PROVISIONS**

### **SCOPE**

The furnishing of Laboratory Diagnostic Testing Services for the Department of Health, Communicable Disease Division, STD/AIDS Prevention Branch shall be subject to these Special Provisions, the attached Specifications, and the General Terms and Conditions, dated September 1, 1995 and included by reference. Copies of the General Terms and Conditions are available at the State Procurement Office, 1151 Punchbowl Street, Room 416, Honolulu, Hawaii.

### **OFFICER-IN-CHARGE**

For contract purposes, Ms. Suzanne M. Richmond-Crum is designated the Officer-in-Charge. All notices, requests or other official communication shall be handled by her or her duly authorized representative. She may be contacted at (808) 732-0026.

### **TERM OF CONTRACT**

Contractor shall enter into a contract for furnishing Laboratory Diagnostic Testing Services for a period of twelve (12) months from July 1, 1997 through June 30, 1998. Unless terminated, the contract shall be extended for one twelve (12) month period from July 1, 1998 to June 30, 1999, without rebidding, upon mutual agreement in writing, at least sixty (60) days prior to contract expiration. The contract shall be extended provided that the contract price for the extended period shall remain the same or lower than the initial bid price.

The State or the Contractor may terminate the extended contract at any time upon sixty (60) days prior written notice.

### **STATE'S COMMITMENT**

In return for prices submitted, the Department of Health, Communicable Disease Division, STD/AIDS Prevention Branch will, purchase all services specified herein from the successful low bidder.

### **BIDDER QUALIFICATION**

At the time of bidding and throughout the contract period, the contractor performing the services herein shall have a minimum of six (6) licensed medical technologists and shall be certified and/or licensed by Medicare and ALSO by the College of American Pathologists (CAP) or the Center for Disease Control (CDC). If not certified and licensed by CAP or CDC at the time of bidding, bidder must submit a letter certifying that his laboratory is eligible for the CAP or CDC certification and that such certification will be obtained within a reasonable amount of time from the start of the contract.

Further, the laboratory director who provides the laboratory with direct personal supervision shall be licensed by the State at the time of bidding and shall maintain his or her State of Hawaii license throughout the contract period.

Bidder shall indicate on the appropriate Offer Form page, his Medicare I.D. number and his CAP or CDC license number, or if necessary, submit a letter certifying that his laboratory is eligible for CAP or CDC certification. Bidder shall also indicate the laboratory director's State of Hawaii license number.

## **BID PREPARATION**

Offer Form, Page OF-1. Offeror is requested to submit its offer using offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate space on OFFER FORM, page OF-1. Failure to do so may delay proper execution of the contract.

Offeror's authorized signature shall be an original signature in ink. If OFFER FORM, page OF-1, is unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the offeror's intent to be bound.

**Bid Quotation.** Bid price shall include all supplies as required, pickup and delivery charges, all expenses for sending samples for the T-cell subset panels to the previous Contractor for testing if required, all applicable taxes and any other expenses necessary to perform the services specified herein.

**Tax Liability.** Work to be performed under this bid solicitation is a business activity taxable under Chapter 237, Hawaii Revised Statutes (HRS) and Chapter 238, HRS, where applicable. Both out-of-state vendors and Hawaii vendors are advised that the gross receipts derived from this bid solicitation are subject to the general excise tax imposed by Chapter 237, HRS, at the current rate of 4%, and where applicable to tangible property imported into the State of Hawaii for resale, subject to the 1/2% use tax imposed by Chapter 238, HRS.

The "State of Hawaii Information on Hawaii State Taxes Administered by the Department of Taxation", Publication 1 (November 1993) is included herein by reference and available in the State Procurement Office, Room 416, 1151 Punchbowl Street, Honolulu, Hawaii, upon request.

The tax equalization provision of Section 103-53.5, Hawaii Revised Statutes, will not apply to the evaluation of this bid. Refer to Section 3.1 of the General Terms and Conditions.

**Hawaii General Excise Tax License.** In accordance with Section 3.1A of the General Terms and Conditions, bidder shall submit his current Hawaii General Excise Tax I.D. number in the space provided on Offer Form Page OF-1.

**Tax Clearance.** An original or certified copy of a tax clearance issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) must be submitted with your sealed offer by the due date and time. The tax clearance shall be obtained on the attached two-part **Tax Clearance Application (Form A-6)** that combines DOTAX and IRS tax clearances.

The application may be mailed in or walked in to either the DOTAX or the IRS. The addresses for DOTAX and IRS district offices are listed on Form A-6. There is limited walk-in service at IRS Maui and Hawaii offices, and none on Kauai.

The DOTAX and IRS encourage the use of their mail-in service, in lieu of walk-in service. We recommend that you mail it to DOTAX where it will be processed and forwarded to the IRS. The process should be completed within twenty-one (21) calendar days. Use of the walk-in service may result in waiting in line at both agencies.

For your information, the tax clearance is valid for forty-five (45) days. If the DOTAX approves a tax clearance certificate on one date and the IRS approves it on another date, the 45-day period will begin with the later date. For example:

DOTAX approval stamp date:	7/1/96
IRS approval stamp date:	7/5/96
Tax clearance valid:	7/5/96 to 8/18/96

The tax clearance submitted with your sealed offer must be valid on the solicitation legal ad date or any date thereafter up to the offer due date. A valid tax clearance received with your offer will remain valid for the contract award.

**Since this is a new process, however, and a mail-in application is encouraged, we will accept for the purpose of this solicitation a completed SPO Form TEMP B, "Certification for Tax Clearance" in place of the DOTAX Form A-6, if you are unable to obtain a tax clearance by mail in time to include it with your sealed offer. See attached pink NOTICE for the SPO Form TEMP B.**

NOTE: The above tax clearance requirement is in addition to the existing requirement for final payment. Refer to the special provisions on INVOICING below for information on the tax clearance requirement for final payment.

**Offer Guaranty.** A BID SECURITY DEPOSIT IS NOT REQUIRED FOR THIS BID.

**Insurance.** Bidder shall provide insurance information as requested on the appropriate Offer Form page.

**References.** The bidder shall list on the appropriate Offer Form page, the names of, points of contact for, and the phone numbers for minimum of two (2) established hospitals and/or established clinical institutions for whom similar laboratory services are being currently provided in the State of Hawaii.

The State of Hawaii reserves the right to contact those listed to inquire about the services being provided to them by the bidder.

**Estimated Requirements.** Quantities listed on the Offer Form pages are estimates only and are offered for bid evaluation purposes only. In the event the estimated requirements do not materialize in the exact quantity listed on the proposal, such failure shall not constitute grounds for equitable adjustment under this contract.

**Subcontractor(s)**. Bidder shall list on Offer Form Page OF-4, any subcontractors to be used for providing the services requested herein, applicable license information, and the portion of the work that will be performed by the subcontractor(s).

#### **STATUTORY REQUIREMENTS OF SECTION 103-55, HRS**

Refer to Section 2.8 of the General Terms and Conditions, Offeror shall complete and submit the attached wage certification by which offeror certifies that the services required will be performed pursuant to Section 103-55, HRS.

Offerors are advised that Section 103-55, HRS, provides that the services to be performed shall be performed by employees paid at wages not less than wages paid to public officers and employees for similar work. Accordingly, offeror should consider the wage rates when preparing his/her quote.

Offerors are further advised that in the event of an increase in wage rates to public employees performing similar work during the contract period, Contractor will be obliged to provide wages no less than those increased wages.

Contractor shall be further obliged to notify its employees performing work under this contract of the provisions of Section 103-55, HRS, and of the current wage rate for public employees performing similar work. Contractor may meet this obligation by posting a notice to this effect in the Contractor's place of business accessible to all employees, or Contractor may include such notice with each paycheck or pay envelope furnished to the employee.

#### **METHOD OF AWARD**

Award, if made, shall be to the responsible bidder submitting the lowest TOTAL ESTIMATED SUM BID. Bidder must bid on every test listed in order to be considered for award.

#### **ACCEPTANCE OF OFFER**

Acceptance of offer, if any, will be made within sixty calendar days after the opening of offers, and the prices quoted by the offeror shall remain firm for the sixty day period as provided in Section 3.2 of the General Terms and Conditions.

#### **CONTRACT EXECUTION**

The State shall forward a formal contract to the successful offeror for execution. The contract shall be signed by the successful offeror and returned within ten (10) days after receipt by the offeror as specified in Section 3.3 of the General Terms and Conditions.

#### **NO PERFORMANCE AND PAYMENT BONDS ARE REQUIRED.**

If the option to extend for the additional twelve-month period is mutually agreed upon, Contractor shall be required to execute a supplement to the contract for the additional period. The State or the Contractor may terminate the extension at any time upon sixty (60) days prior written notice.

## SUBCONTRACTING

The Contractor may subcontract services that cannot be performed by the Contractor provided the subcontractor meets the BIDDER QUALIFICATION provision and is listed on the appropriate Offer Form page.

No subcontract shall under any circumstances relieve the Contractor of his obligations and liability under his contract with the State. The primary Contractor will be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract, and shall be responsible for all services whether or not the primary Contractor performs them.

## ACCEPTANCE OF OFFER

Acceptance of offer, if any, will be made within sixty calendar days after the opening of offers, and the prices quoted by the offeror shall remain firm for the sixty day period as provided in Section 3.2 of the General Terms and Conditions.

## INVOICING AND PAYMENT

The Contractor shall submit original and three (3) copies of the invoice by the 10th day of each month for service rendered during the previous month to:

HSPAMM Office  
3627 Kilauea Avenue, #306  
Honolulu, Hawaii 96816  
Attention: Ms. Suzanne Richmond-Crum

Invoices shall detail the dates and laboratory services actually provided and charges shall be computed at the contracted rate per test.

Section 103-10, HRS, provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory delivery of goods or performance of the services to make payment. The State will reject any bid submitted with a condition requiring payment within a shorter period.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period or interest payment not in conformance with Statute.

The tax clearance submitted with your invoice for final payment now requires both DOTAX and IRS approvals. The clearance submitted earlier is not acceptable for final payment purposes. You must obtain a new tax clearance from DOTAX and IRS approvals. The clearance submitted earlier is not acceptable for final payment purposes. You must obtain a new tax clearance from DOTAX and IRS and it must be an original (certified copy is not acceptable), not over 45 days old, with box 3.a. of the **Tax Clearance Application (Form A-6)** completed for a specific contract, purchase order, or job number.

## **LIABILITY INSURANCE**

Contractor shall maintain insurance acceptable to the State in full force and effect throughout the term of this contract. The policy or policies of insurance maintained by the Contractor shall provide the limits and coverages specified in the Special Provisions of this bid solicitation.

Each insurance policy required by this contract shall contain the following clauses:

1. "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Department of Accounting and General Services, State Procurement Office, P.O. Box 119, Honolulu, Hawaii 96810-0119."
2. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
3. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

Each insurance policy shall be written by insurance companies licensed to do business in the State or meet Section 431:8-301, Hawaii Revised Statutes, if utilizing an insurance company not licensed by the State of Hawaii.

The Contractor agrees to deposit with the State of Hawaii, on or before the effective date of this contract, certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this contract have been complied with and to keep such insurance in effect and the certificate(s) therefor on deposit with the State during the entire term of this contract. Upon request by the State, Contractor shall furnish a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this contract, entitling the State to exercise any or all of the remedies provided in this contract for a default of the Contractor.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

## **LIQUIDATED DAMAGES**

Refer to Section 6.12 of the General Terms and Conditions. Liquidated damages is fixed at the sum of ONE THOUSAND DOLLARS (\$1,000.00) per calendar day for each and every violation by the Contractor in failing to perform in whole or in part any of its obligations hereunder. Liquidated damages may be deducted from any payments due or to become due to the Contractor.



## **ADDITIONS AND EXCEPTIONS TO THE GENERAL TERMS AND CONDITIONS**

Approvals. Any agreement arising out of this offer is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

Cancellation of Solicitations and Rejection of Offers. The solicitation may be cancelled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in Sections 3-122-95 through 3-122-97, Hawaii Administrative Rules.

General Terms and Conditions Not Applicable. Sections 2.11 and 2.14 of the General Terms and Conditions which apply specifically to the Request for Proposals method of source selection are not applicable to Invitation for Bids. Also Sections 2.10 and 2.13 which apply specifically to the Invitation for Bids method of source selection are not applicable to Requests for Proposals.

Records Retention. The Contractor and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for three (3) years from the date of final payment under the Agreement.

